



IMPERIAL BANK OF CANADA

FIFTY-THIRD
ANNUAL REPORT
PRESENTED TO THE
SHAREHOLDERS
NOVEMBER 23RD
1927

Imperial Bank of Canada

Head Office: Toronto

Established 1875

CAPITAL AUTHORIZED	.	\$10,000,000.00
CAPITAL PAID UP	. .	7,000,000.00
RESERVE FUND	. .	7,500,000.00

Fifty-Third Annual Report
1927

Imperial Bank of Canada

ESTABLISHED 1875

CAPITAL (AUTHORIZED) - - - - -	\$10,000,000.00
CAPITAL (PAID UP) - - - - -	7,000,000.00
RESERVE FUND - - - - -	7,500,000.00

DIRECTORS

PELEG HOWLAND.....	PRESIDENT
SIR JAMES WOODS.....	VICE-PRESIDENT
SIR JAMES AIKINS, K.C. (Winnipeg)	
J. F. MICHIE	FRANK A. ROLPH
G. C. HEINZMAN	J. W. HOBBS
	JOHN A. NORTHWAY
	R. S. WALDIE
	WALTER C. LAIDLAW

HEAD OFFICE, TORONTO

A. E. PHIPPS, GENERAL MANAGER	
G. D. BOULTON, ASSISTANT GENERAL MANAGER	
H. T. JAFFRAY, ASSISTANT GENERAL MANAGER (WINNIPEG)	
R. S. CLARK, GENERAL SUPERVISOR	W. G. MORE, SECRETARY AND SUPERINTENDENT OF BRANCHES

SUPERVISORS

E. K. BOULTBEE	H. C. HOUSTON
B. E. HOWARD	W. G. LAIRD

INSPECTORS

A. L. OGDEN	W. BOURKE
J. F. SCARTH	J. MACLENNAN

BRANCHES

PROVINCE OF ONTARIO

AMHERSTBURG.....	C. A. CUDDY.....	Manager
AURORA.....	R. R. BROWN.....	"
BELWOOD.....	G. McNEE.....	"
BOLTON.....	C. C. CASE.....	"
BRANTFORD.....	I. K. JOHNSTON.....	"
CALEDON EAST.....	(Sub Branch to Bolton)	"
COBALT.....	A. H. SEGUIN.....	"
COCHRANE.....	A. W. BARLOW.....	"
CONNAUGHT STATION.....	(Sub Branch to Timmins)	"
COTTAM.....	W. J. GOLDEN.....	"
CRAMPTON.....	(Sub Branch to Ingersoll)	"
CRYSTAL BEACH.....	(Sub Branch to Ridgeway)	"
ENGLEHART.....	W. M. FIELD.....	"
ELK LAKE.....	C. C. DUNLOP.....	"
ESSEX.....	H. M. MCKENZIE.....	"
FERGUS.....	F. T. KYLE.....	"
FONTHILL.....	C. L. GORDON.....	"
FORT WILLIAM.....	W. K. WICKENS.....	"
GALT.....	H. ROBERTS.....	"
GOLD PINES (Rolling Portage P.O.).....	K. N. ALLAN.....	Acting
GORMLEY.....	(Sub Branch to Aurora)	"
GRAND VALLEY.....	S. R. WAY.....	"
HAMILTON.....	F. S. GLASSCO.....	"
HARROW.....	P. T. CLARK.....	"
HEARST.....	J. CAMPION.....	Acting
HUMBERSTONE.....	I. M. HOUSTON.....	"
INGERSOLL.....	A. O. MURRAY.....	"
JORDAN.....	(Sub Branch to Vineland)	"

KAPUSKASING.....	J. D. PATTERSON.....	Manager
KENORA.....	C. G. ROYDS.....	"
KETTLEBY.....	(Sub Branch to Schomberg)	"
KITCHENER.....	T. R. RICHARDSON.....	"
KIRKLAND LAKE.....	C. L. GRIDDALE.....	"
LISTOWEL.....	M. R. HAY.....	"
LONDON.....	A. J. GOODALL.....	"
MATHESON.....	R. E. TRACEY.....	"
NASHVILLE.....	(Sub Branch to Bolton)	"
NEW LISKEARD.....	J. H. McCAW.....	"
NEWMARKET.....	F. H. HEWSON.....	"
NIAGARA FALLS.....	J. D. HOOD.....	"
NIAGARA FALLS, QUEEN ST.....	D. HUGHES, Jr.....	"
NIAGARA FALLS, SOUTH.....	J. H. ARKE.....	"
NIAGARA-ON-THE-LAKE.....	L. A. RUSSELL.....	"
NOBLETON.....	(Sub Branch to Bolton)	"
NORTH BAY.....	L. T. CHARLTON.....	"
OTTAWA.....	E. S. HOUSTON.....	"
PALGRAVE.....	(Sub Branch to Bolton)	"
PORT ARTHUR.....	C. G. T. HARCOURT.....	"
PORT COLBORNE.....	E. J. BAKER.....	"
PRESTON.....	BLAIN CHERRY.....	"
QUEENSTON.....	(Sub Branch to St. Davids)	"
QUEENSDS LANDING.....	(Sub Branch to Sault Ste. Marie)	"
RICHMOND HILL.....	A. T. MINNIS.....	"
RIDGEWAY.....	C. A. HAMILTON.....	"
ST. CATHARINES.....	J. A. FORSTER.....	"
ST. CATHARINES, EAST END.....	D. P. G. FORBES.....	"
ST. CATHARINES, MARKET.....	A. F. ROBERTSON.....	"
SANDWICH.....	E. B. REYNOLDS.....	"
ST. DAVIDS.....	J. B. THOMPSON.....	"
ST. THOMAS, EAST END.....	H. W. SCARFF.....	"
ST. THOMAS, WEST END.....	M. A. RICHARDSON.....	"
SAULT STE. MARIE.....	JAS. WALKER.....	"
SAULT STE. MARIE, GORE & QUEEN STS.....	F. C. TROTT.....	"
SAULT STE. MARIE, JAMES ST.....	C. A. KEHOE.....	"
SCHOMBERG.....	W. R. RODGER.....	"
SIOUX LOOKOUT.....	J. A. HODDER.....	"
SOUTH PORCUPINE.....	J. P. MICHAUD.....	"
SOUTH WOODSLEE.....	C. W. CORNWALL.....	"
STAMFORD.....	C. H. SEAMAN.....	"
THESSALON.....	W. MCGUIRE.....	"
THOROLD.....	G. R. NELLES.....	"
MMINS.....	D. SUTHERLAND.....	"

TORONTO—

WELLINGTON & LEADER LANE
(HEAD OFFICE).....

ADELAIDE & VICTORIA STS.....	A. R. MARTIN.....	Manager
BATHURST & DUPONT STS.....	E. N. BATE.....	Assistant
BAY ST.....	R. G. WILKINSON.....	"
BLOOR & BATHURST.....	G. R. MURTON.....	"
BLOOR & DURIE.....	W. M. SELLENS.....	"
BLOOR ST. & LANSLOWNE AVE.....	I. C. WEDD.....	"
CHURCH ST.....	H. A. CROSS.....	"
DANFORTH & CARLAW.....	J. W. WILLIS.....	"
DAVISVILLE.....	W. WALLACE.....	"
DUNDAS & BLOOR STS.....	D. N. WRIGHT.....	"
KING & MARKET STS.....	A. H. WILSON.....	"
KING & SHERBOURNE STS.....	W. H. COGHILL.....	"
KING ST. & SPADINA AVE.....	H. A. INGLIS.....	"
KING & YORK STS.....	W. H. SWAN.....	"
KINGSTON ROAD & BALSAM.....	J. B. PRIESTMAN.....	"
MONARCH PARK & DANFORTH.....	E. H. ANDERSON.....	"
OAKWOOD AVE. & ROGERS RD.....	J. B. ATKINS.....	"
QUEEN & BATHURST.....	H. T. BEATY.....	"
QUEEN ST. & CARLAW AVE.....	K. G. MIGHT.....	"
QUEEN ST. & KINGSTON RD.....	H. F. WESTERN.....	"
QUEEN ST. & RONCESVALLES AVE.....	M. R. MCKEE.....	"
RUNNYMEDE & ANNETTE.....	E. F. H. BADKE.....	"
ST. CLAIR & BOCN AVE.....	R. ARKELL.....	"
SILVERTHORN & ROGERS RD.....	S. S. JONES.....	"
WEST TORONTO.....	W. W. FIELD.....	"
WELLESLEY & SHERBOURNE STS.....	M. J. GOULD.....	Acting
YONGE & ANN STS.....	W. E. CUSLER.....	"
YONGE & BLOOR STS.....	K. H. LOVE.....	"
YONGE & QUEEN STS.....	B. E. YOUNG.....	"
	O. D. ROBINSON.....	"
	G. D. RITCHIE.....	"

VINELAND.....	E. H. COLEMAN.....	Manager
WALKERVILLE.....	W. T. CARTHEW.....	"
WALKERVILLE, TECUMSEH ROAD.....	H. J. ARBUCKLE.....	"
WELLAND.....	J. H. ROLPH.....	"
WINDSOR.....	G. J. LACKNER.....	"
WOODSTOCK.....	L. R. LLOYD.....	"

PROVINCE OF QUEBEC

DOLBEAU.....	S. McCUTCHEON.....	Manager
MONTREAL.....	A. R. B. HEARN.....	"
	G. S. THOMPSON.....	Assistant
NORANDA (Rouyn P.O.).....	H. C. SCARTH.....	"
QUEBEC.....	G. F. C. LOVE.....	"

PROVINCE OF MANITOBA

BRANDON.....	J. A. WETMORE.....	Manager
GIMLI.....	(Sub Branch to Riverton)	"
PORTAGE LA PRAIRIE.....	J. F. MacKAY.....	Acting
RIVERTON.....	H. M. SAMPSON.....	"
WINNIPEG.....	A. D. DUNCAN.....	"
	R. CARSON.....	Assistant
ARLINGTON & WESTMINSTER.....	J. MacGREGOR.....	Acting
NORTH END.....	W. M. PORTER.....	"
ST. VITAL.....	R. MAJOR.....	"

PROVINCE OF SASKATCHEWAN

BALGONIE.....	J. CURRIE.....	Manager
BROADVIEW.....	V. J. MANN.....	"
CANWOOD.....	P. R. CARTER.....	"
DAFOE.....	J. B. BLACK.....	"
DENHOLM.....	(Sub Branch to North Battleford)	"
FIELDING.....	A. MacMILLAN.....	"
FORT QU'APPELLE.....	D. C. HOWELL.....	Acting
HAGUE.....	R. M. LAMBE.....	"
HANDEL.....	R. S. McCLAY.....	"
HEPBURN.....	N. B. CUMMINS.....	"
LAIRD.....	A. FRIESEN.....	"
LEBRET.....	(Sub Branch to Fort Qu'Appelle)	"
MAYMONT.....	(Sub Branch to Fielding)	"
McLEAN.....	(Sub Branch to Balgonie)	"
MOOSE JAW.....	JOHN THOMSON.....	"
NORTH BATTLEFORD.....	F. R. MUIR.....	"
PIAPOT.....	C. C. FAWCETT.....	"
PRINCE ALBERT.....	S. N. DAVIDSON.....	"
REGINA.....	W. L. GILLILAND.....	"
ROSTERN.....	G. S. REMPEL.....	"
RUDDELL.....	E. REBURN.....	"
SASKATOON.....	F. W. SCRIMES.....	"
SPRINGWATER.....	S. T. SKENE.....	"
WALDHEIM.....	(Sub Branch to Hepburn)	"
WILKIE.....	C. C. ANNETT.....	"
WYNYARD.....	H. J. MORGAN.....	"

PROVINCE OF ALBERTA

ATHABASCA.....	J. F. PERCIVAL.....	Manager
BANFF.....	W. V. GODDARD.....	"
BIG VALLEY.....	L. R. ANDERSON.....	"
CALGARY.....	A. H. WEAVER.....	"
CALGARY, EAST END.....	C. I. B. BELL.....	"
DAYSLAND.....	J. BURGOYNE.....	"
EDBERG.....	(Sub Branch to Perintosh)	"
EDMONTON.....	G. R. F. KIRKPATRICK.....	"
	J. R. HENLEY.....	Assistant
NORWOOD BOULEVARD.....	W. P. GRAHAM.....	"
SOUTH.....	W. A. PATTERSON.....	"
WEST.....	H. W. HARRISON.....	"
EDSON.....	J. G. DEACON.....	"
PERINTOSH.....	A. S. ROSENROLL.....	"
GRANDE PRAIRIE.....	J. A. G. CIOKIE.....	"
JASPER.....	J. M. KINNEAR.....	"
MILLET.....	J. A. ENGLISH.....	"
NEW NORWAY.....	J. A. BLACK.....	"

REDCLIFF.....	A. MCKENZIE.....	Manager
RED DEER.....	H. WILLSON.....	"
ROCKY MOUNTAIN HOUSE.....	P. C. ROUTLEDGE.....	"
SANGUDO.....	J. BALLANTYNE.....	"
SYLVAN LAKE.....	F. L. APPLETON.....	"
TROCHU.....	J. D. MACGILLIVRAY.....	"
WETASKIWIN.....	H. W. WRIGHT.....	"

PROVINCE OF BRITISH COLUMBIA

CHASE.....	H. J. HAYLOCK.....	Manager
CRANBROOK.....	W. R. GRUBBE.....	"
CRESTON.....	C. W. ALLEN.....	"
FERNIE.....	A. M. OWEN.....	"
FIELD.....	(Sub Branch to Golden)	"
GOLDEN.....	I. F. A. JOHNSTONE.....	"
INVERMERE.....	A. ASHWORTH.....	"
MICHEL.....	(Sub Branch to Natal)	"
NATAL.....	H. L. REID.....	"
NELSON.....	J. H. D. BENSON.....	"
REVELSTOKE.....	T. R. JONES.....	"
VANCOUVER.....	J. M. LAY.....	"
	P. B. REEVE.....	Assistant
FAIRVIEW.....	K. ANDERSON.....	"
HASTINGS & ABBOTT STS.....	F. B. THOMSON.....	"
VICTORIA.....	A. R. GREEN.....	"

Imperial Bank of Canada

Agents and Correspondents

CANADA.....	Bank of Montreal
GREAT BRITAIN AND IRELAND	Lloyds Bank Limited
	District Bank Limited
	The Commercial Bank of Scotland Limited
	Northern Banking Co. Limited
FRANCE.....	Lloyds & National Provincial Foreign Bank Limited
	Credit Lyonnais
GERMANY.....	Deutsche Bank
NORWAY.....	Bergens Privatbank
ITALY.....	Banca Commerciale Italiana
BELGIUM AND SWITZERLAND..	Lloyds & National Provincial Foreign Bank Limited
UNITED STATES..	NEW YORK—Bank of the Manhattan Company
	Bank of America
	Guaranty Trust Co.
	American Exchange-Irving Trust Company
	National Bank of Commerce
	National City Bank
	Hanover National Bank
	BOSTON—National Shawmut Bank
	BUFFALO—Marine Trust Co.
	CHICAGO—First National Bank
	Illinois Merchants Trust Co.
	CINCINNATI—First National Bank
	CLEVELAND—Union Trust Co.
	DETROIT—First National Bank
	DULUTH—First National Bank
	LOS ANGELES—Citizens' National Bank
	MINNEAPOLIS—First National Bank
	NIAGARA FALLS, N.Y.—National Bank of Niagara and Trust Company
	PHILADELPHIA—Franklin Fourth Street National Bank
	Philadelphia-Girard National Bank
	First National Bank
	PITTSBURGH—Bank of Pittsburgh
	PORTLAND, ORE.—United States National Bank
	SAN FRANCISCO—Wells Fargo Bank and Union Trust Co.
	SEATTLE, WASH.—Seattle National Bank
	SPOKANE—Exchange National Bank
	St. PAUL—First National Bank
CHINA AND JAPAN.	Hong Kong & Shanghai Banking Corporation
AUSTRALIA AND NEW ZEALAND..	Bank of New South Wales
SANDWICH ISLANDS.....	Union Bank of Australia
	Yokohama Specie Bank
SOUTH AFRICA....	Bank of Hawaii Limited
	Standard Bank of South Africa Limited
INDIA.....	Lloyds Bank Limited
	National Bank of India Limited



Imperial Bank of Canada

PROCEEDINGS

OF THE

FIFTY-THIRD ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS

*Held at the Banking House of the Institution in Toronto,
on Wednesday, 23rd November, 1927.*

The Fifty-Third Annual General Meeting of the Imperial Bank of Canada was held at the Head Office of the Bank in Toronto, on Wednesday, 23rd November, 1927.

Amongst those present were:—Sir James Woods, Col. J. F. Michie, F. A. Rolph, R. S. Waldie, G. C. Heintzman, J. W. Hobbs, W. C. Laidlaw, John A. Northway, H. T. Jaffray (Winnipeg), G. R. F. Kirkpatrick (Edmonton), J. A. Forster (St. Catharines), A. E. Phipps, W. Swaine, H. B. Patton, W. J. Hickey (New Haven, Conn.), F. H. Gooch, D. S. Cassels, E. R. Wible (Woodstock), C. A. Case (St. Catharines), Robert Ross, H. A. Jones, A. McPherson (Orillia), C. C. Case (Bolton), A. Rankin, J. T. Parker, J. C. Black, D. Cameron, A. E. Ferrie, G. G. LeMesurier, F. E. Luke, Rev. T. W. Paterson, F. G. Inwood, Major Aikins (Winnipeg), W. J. Fleury, C. M. Gripton (Niagara-on-the-Lake), J. F. Scarth, W. McDonald, E. B. LeRoy, C. N. Sutherland, Thos. H. Wood, Ven. Archdeacon Doherty, G. B. Woods, J. G. Ramsey, W. H. Knowlton, F. G. Osler, J. Watt, W. A. Medland, W. C. Crowther, W. J. Martin (Midland), E. C. F. Wood, G. W. Blaikie, J. K. Fiskien, Dr. W. V. Watson, Prof. McLennan, A. S. Chapin, C. S.

Imperial Bank of Canada

McDonald, Alfred Bicknell, G. M. Gardner, G. D. Boulton, W. G. More, R. S. Clark, A. L. Ogden, H. C. Houston, J. Hadden, E. J. Case, G. C. Foster, H. Riley, A. C. Rome, F. W. Christie, Wm. Cecil Lee, Col. Geary, J. H. McCaw.

In the absence of the President, Mr. Peleg Howland, the Chair was taken by the Vice-President, Sir James Woods. Mr. W. G. More was appointed to act as Secretary, and Messrs. D. S. Cassels and G. W. Blaikie were appointed Scrutineers.

The Notice calling the Meeting was read by the Chairman and the Minutes of the last Annual Meeting were taken as read and were confirmed.

THE CHAIRMAN: I should like to read a telegram received from Sir James Aikins, K.C., one of our Directors. In accordance with the Act we are obliged to state the number of meetings attended by each of the Directors, and you will see by the list that Sir James Aikins attended one meeting. He resides in Winnipeg, and I should like to say in regard to the affairs of the West, which are of great importance to the Bank, he is an invaluable Director.

"Please convey to the President, Vice-President and my other co-Directors, also to the Shareholders generally, my congratulations on account Bank's success during the year and its excellent Fifty-third Annual Statement."

—J. A. M. AIKINS.

Imperial Bank of Canada

The Directors' Report and Annual Statement were read by the Secretary as follows:—

REPORT

The Directors have pleasure in presenting to the Shareholders the Fifty-Third Annual Report and Balance Sheet of the affairs of the Bank as on 31st October, 1927, together with Statement of Profit and Loss Account, showing the result of the operations for the year.

The balance at credit of Profit and Loss Account brought forward from last year was.. \$1,252,148.23

Profits for the year ended 31st October, 1927, after deducting charges of management, auditors' fees and interest due depositors, and after making full provision for bad and doubtful debts and for rebate on bills under discount were..... 1,383,281.58

Making a total at credit of Profit and Loss Account of..... \$2,635,429.81

This amount has been appropriated as follows:—

Dividends at the rate of 12% per annum....	\$ 840,000.00
Bonus of 1% for the year.....	70,000.00
Annual contribution to Officers' and Employees' Pension and Guarantee Funds...	42,500.00
Written off Bank Premises.....	250,000.00
Dominion Government Taxes paid and Reserved.....	160,000.00
Balance of Account Carried Forward.....	1,272,929.81
	<u>\$2,635,429.81</u>

During the year Branches of the Bank were opened at Oakwood Avenue and Rogers Road, Silverthorn Avenue and Rogers Road, Bloor Street and Durie Street, all in the City of Toronto; Gold Pines, Ontario; Tecumseh Road, Walkerville, Ontario, and also at Noranda and Dolbeau in the Province of Quebec. The Branch at Sparta, Ontario, has been closed.

The Head Office and Branches have as usual been carefully inspected during the year, and the Auditors appointed

Imperial Bank of Canada

by you have also made their examinations as required by law. Their report and certificate is attached to the Balance Sheet. Under the Bank Act a change will require to be made this year in one of your Auditors.

During the year a scheme of Group Life Insurance for the benefit of the Staff, effective as from 1st December, 1927, has been inaugurated, the premium upon which will be paid by the Bank.

The Directors have again much pleasure in bearing testimony to the satisfactory manner in which the various officers of the Bank have discharged their respective duties.

All of which is respectfully submitted.

J. W. WOODS,

Toronto, November 22nd, 1927.

Vice-President.

PROFIT AND LOSS ACCOUNT

31st OCTOBER, 1927

Dividends Nos. 146, 147, 148 and 149, at the rate of 12% per annum.....	\$840,000
Bonus of 1% payable November 1st, 1927 70,000	
Contribution to Officers' Guarantee Fund.....	2,500.00
Contribution to Officers' Pen- sion Fund as per By-law No. 33.....	40,000.00
Written off Bank Premises...	250,000.00
DOMINION GOVERNMENT TAXES, including tax paid on Circulation and Re- serve for Income Tax.....	160,000.00
Balance of Account carried forward.....	1,272,929.81
	<u>\$2,635,429.81</u>

Balance at credit of account Oct. 31st, 1926, brought forward.....	\$1,252,148.23
Profits for the year ended 31st October, 1927, after deducting charges of man- agement, auditors' fees and interest due deposi- tors, and after making provision for bad and doubtful debts and for rebate on bills under dis- count.....	1,383,281.58
	<u>\$2,635,429.81</u>

RESERVE FUND

Balance at Credit of Account October 31st, 1927..... \$7,500,000.00

J. W. WOODS,
Vice-President.

A. E. PHIPPS,
General Manager.

Imperial Bank of Canada

FIFTY-THIRD ANNUAL

31st OCTOBER

LIABILITIES

Notes of the Bank in circulation.....	\$10,481,390.00
Deposits not bearing interest.....	\$23,943,670.76
Deposits bearing interest, including interest accrued to date of State- ment.....	85,071,249.17
	109,014,919.93
Balances due to other Banks in Canada	\$ 2,084,550.02
Due to Banks and Banking Correspon- dents in the United Kingdom.....	73,061.84
Due to Banks elsewhere than in Canada and the United Kingdom.....	357,138.51
Letters of Credit Outstanding.....	834,624.29
	3,349,374.66
Total Liabilities to the Public.....	\$122,845,684.59
Capital Stock paid in.....	\$7,000,000.00
Reserve Fund Account.....	7,500,000.00
Dividend No. 149 (payable 1st Novem- ber, 1927) for three months at the rate of 12% per annum.....	210,000.00
Bonus of 1% payable 1st November, 1927.....	70,000.00
Unclaimed Dividends.....	582.75
Balance of Profit and Loss Account carried forward.....	1,272,929.81
	16,053,512.56

AUDITORS' REPORT TO SHARE- HOLDERS.

We report to the Shareholders of the Imperial Bank of Canada:—

That we have audited the above Balance Sheet as at October 31st, 1927, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank, and is as shown by the books of the Bank.

The above Balance Sheet does not include money which has been set aside by the Shareholders from time to time for the purpose of a Pension Fund.

A. B. SHEPHERD, C.A.
of Peat, Marwick, Mitchell & Co.

D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

Toronto, November 18th, 1927.

\$138,899,197.15

BALANCE SHEET

1927

ASSETS

Current Coin held by the Bank.....	\$ 988,057.56	
Dominion Government Notes.....	10,371,468.00	
United States and other Foreign Currencies.....	216,006.40	
		<u>\$11,575,531.96</u>
Deposit in the Central Gold Reserves.....		3,764,466.66
Deposit with the Minister for the purposes of the Circulation Fund.....		342,712.36
Notes of other Banks.....		860,944.00
Cheques on other Banks.....		8,700,232.58
Balances due by other Banks in Canada.....		605,570.76
Due from Banks and Banking Correspondents in the United Kingdom.....		411,120.76
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom....		1,946,697.04
		<u>\$28,207,276.12</u>
Dominion and Provincial Government Securities not exceeding market value.....	\$14,034,771.10	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value.....	6,021,768.48	
Railway and other Bonds, Debentures and Stocks, not exceeding market value.....	61,602.44	
		<u>20,118,142.02</u>
Loans to Provincial Governments.....	\$ 3,373,709.61	
Loans to Cities, Towns, Municipalities and School Districts.....	6,827,566.65	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds, and other Securities of a sufficient marketable value to cover.....	13,560,910.12	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds, and other Securities of a sufficient marketable value to cover..	4,300,000.00	
		<u>28,062,186.38</u>
		<u>\$76,387,604.52</u>
Other Current Loans and Discounts in Canada (less rebate of interest), after making full provision for all bad and doubtful debts.....		55,202,801.63
Non Current Loans estimated loss provided for.....		162,694.94
Real Estate other than Bank premises.....		365,642.30
Mortgages on Real Estate sold by the Bank.....		679,515.87
Bank Premises, at not more than cost, less amounts written off.....		4,990,342.52
Liabilities of Customers under Letters of Credit as per contra.....		834,624.29
Other Assets not included in the foregoing.....		275,971.08
		<u>\$138,899,197.15</u>

J. W. WOODS,
Vice-President.

A. E. PHIPPS,
General Manager.

VICE-PRESIDENT'S ADDRESS

The duty of moving the adoption of the report, which you have just heard read, falls to me this year owing to the temporary absence of Mr. Howland, who, on the advice of his physician, is taking a well-earned holiday. When I tell you that out of 52 weekly meetings of the Board held during the year, Mr. Howland presided at 51 of them, I think you will agree that he has earned and probably needs a rest. This is the first time he has been absent from the Annual Meeting since his election to the Board in 1906.

The Secretary has just read that "the Directors have pleasure in presenting the Annual Report and Balance Sheet." While agreeing that it is a pleasure to be able to present such a statement, I am not going to attempt to comment on the data submitted, preferring to leave that to our very able General Manager, Mr. Phipps, whom we congratulate on his recent election to the Presidency of the Canadian Bankers' Association, the highest honour which can be accorded a Banker in Canada.

The Banking system of Canada furnishes capital for all classes of Canadian enterprise and is a prime factor in the development of our resources and in the promotion of industry and trade, both domestic and export.

Bank Stocks in both the United States and Canada have become popular. Three months ago Gilbert Elliott and Co., specialists in Bank stocks, published a statement giving the earnings and dividends of twenty-four National Banks in the United States, and their average yield at the then market price, was 4.01%, based on earnings, and 2.81% based on dividends paid. Compared with the above the average yield on dividend basis of the eight Canadian chartered Banks at the current market price is 4.69%. This contrast may account for the formation in the United States of two Trust Companies for the express purpose of acquiring shares of Canadian Banks.

The war seemed to bring out all that was best in our people and their accomplishments in producing war requirements on level terms with the biggest organizations of the United States gave our manufacturers confidence in themselves and the result is an amazing increase in our exports of manufactured and partly manufactured commodities.

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Practical science, too, has come to Canada's aid and a lot of our raw material formerly of little worth is shown to possess unbelievable value.

Evidence of the general growth and prosperity of Canada may be observed on all sides. In 1914 fire insurance policies current in Canada amounted to less than three billion dollars, while to-day they exceed nine billion dollars. Even after allowing for difference in values it is plain that our physical assets have doubled since the outbreak of the war. During the same period deposits in chartered banks and Trust Companies and debentures issued by Trust and Loan Companies have increased from \$1,026,299,000 in 1914 to \$2,019,804,000 in 1927. In 1914 Canadian citizens owned no Government securities; to-day a large percentage of Dominion and Provincial Government bonds are held by our own people. A more spectacular evidence of the present prosperity of the country is seen in the purchase by Canada during the past year of 159,000 motor cars valued at \$150,000,000.

A provisional statement of the yield of grain crops in Canada released by the Dominion Bureau of Statistics on the 11th inst. gives Wheat as 444,000,000 bushels against 409,000,000 bushels for 1926; oats 452,000,000 bushels against 383,000,000 for 1926; flax seed shows a falling off of about 20% while the yield of other grains is approximately the same as for last year. Although the acreage sown this year was 40,418,897 acres, as against 40,848,013 in 1926, the yield per acre was greater, wheat averaging 19.03 bushels per acre in 1927, against 17.8 bushels in 1926; oats 34.2 against 30.1 and rye 21.6 against 16.1 in 1926. Four good crops in succession have put the farmers of Canada in an excellent position.

Although field crops are the backbone of agriculture there are surprising returns from the minor pursuits. Take poultry farming for example, the production of eggs in Canada last year amounted to 225,000,000 dozen.

Maple products contributed \$7,000,000 to our national wealth; honey \$5,000,000; tobacco \$10,000,000; and the blueberry which grows wild swelled our last year's exports by \$333,000. The hothouse industry shows a revenue of \$4,500,000. The demand for Canada's pure seeds continues

to grow and is practically world-wide, and the work of our Governments along these lines is reflected in the excellence of our own crops.

Farm animals rank third in order of importance among our farm products, field crops coming first, dairy products second. Two things happened affecting our cattle trade: The United States tried to shut us out by tariff; Great Britain tried to let us in by raising an embargo. For a time this switched our exports to the British Market but because of the low price of cattle in Britain and the high price of cattle in the United States our shipments are now largely to the latter market despite the tariff.

On her geographical position Canada is to be congratulated. Our temperate climate should tend to attract people of closely related races so that our problems of growth and assimilation need not be difficult provided we can wait patiently the coming of the immigrants best suited to our conditions instead of hurrying our expansion by the encouragement of people not fitted to join with us in the formation of a united Canadian nation.

For foreign trade Canada occupies the best site in the Northern Hemisphere. To the South the rapidly growing republic is a very good customer. In the future it will be to their advantage to import more largely from Canada—my belief is they will soon be compelled to. By the Atlantic highway we are nearer the markets of the Old World than any other large producer of raw materials. The demands of the Orient have increased rapidly in recent years and with the industrial development of the East, will call for Canadian products in ever increasing quantities. No other country has such convenient access to three markets such as these.

The long narrow ribbon which a generation ago connected East and West in Canada has been broadened to a wide belt by the movement of population into the regions more remote from the International boundary. With the discovery of Marquis Wheat and later Garnet Wheat, the latter requiring only 100 days from seed time to harvest, the narrow margin of the prairie provinces fit for the growth of wheat has been extended far to the North. In Ontario and Quebec a similar promise of northern development comes from the discovery of the clay belt, the mining regions,

and the development of the pulp and paper industries, which utilize the spruce, a timber which had very little value in Ontario and Quebec at the beginning of the present century. At all four points of the compass, there is encouragement for Canada in her location, in the markets of the world.

This year, the Government of Canada provided \$100,000 to cover the cost of a trade study of the British market. This seems to be very timely for, while Britain is our best customer, the demand for our products from year to year has been very erratic. In 1920 we supplied 27% of the bacon imported by Britain as against 11% in 1926. Similarly our share in the egg market fell from 11.4% of British imports in 1920 to .7% in 1926. In 1914 we supplied 48% of the cheese, in 1920 41% and in 1926 35%. If the studies undertaken show how to hold our markets and gradually increase our share, the money will have been well spent. Exports of Canadian tobacco to Britain have increased 700% during the last four years, as a result of the preferential trade agreement. This is reflected in the rapid extension of tobacco farming in Western Ontario.

In my remarks at the last Annual Meeting I emphasized the importance of China, as one of Canada's trade opportunities. The following figures regarding the trade between the United States and China, published by the Department of Commerce at Washington, are of compelling interest to Canada. In 1914, trade between these countries totalled \$64,000,000 as compared with \$338,000,000 in 1920. China's total foreign trade for 1914 was \$604,000,000 as compared with \$1,616,000,000 in 1920. Chinese foreign trade in the last fiscal year amounted to \$1,511,272,000 which indicates a remarkable ability for trading under adverse conditions. In 1926 Canada's exports to China totalled \$24,473,446, an amount greater than we exported to any European country with the exception of Germany.

In Central Canada where most of our factories are located we have no coal fields. In 1926 our imports of coal were more than seventeen million tons (for her share we paid to the United States sixty million dollars). While in the East and West the coal resources are sufficient for many generations it has so far been regarded as uneconomic to draw even a substantial part of our requirements from Canadian mines.

For some years the Governments of Canada have given serious attention to the possibility of making the coal of Nova Scotia and Alberta available for the parts of Ontario and Quebec which are now dependent on imported coal. The advantage to Canadian finance, to the coal mining industry, and to the railways of Canada, of success in this undertaking, would be so great that the project should be very fully explored before it is abandoned. In the last issue of the monthly review of Canadian conditions published by the Canadian Pacific Railway is an account of plans now under way for an extensive use of the low grade coal of Saskatchewan and the President of the British Mining Congress has this to say regarding Canadian coal,—“If the present endeavours to change coal into a fluid fuel capable of displacing petroleum and all its products, are successful, the advantage of the United States in having the richest oil deposits in the World will be killed and Canada will take the place of the United States as the World’s provider of liquid fuel.”

While Central Canada is not favourably situated from the standpoint of cheap coal supply, this disadvantage is in large part, balanced by the great possibilities in water power. In this regard, Canada has a most encouraging record with a development of 4,290,000 horse-power as compared with 12,000,000 horse-power in the United States which has more than twelve times our population. The Falls and Rapids which baffled our forefathers by obstructing free traffic on the waters, contain a wealth of which they did not dream.

Much of the general prosperity of Canada at the present time is due to the steady progress in the development of her mineral resources. In 1926 the production of the Canadian mines was valued at over \$240,000,000 as compared with \$86,000,000 in 1907 and \$226,000,000 in 1925. Though the increased value of 1926 over 1925 is only about 6%, the increase in the quantity produced is much greater. This is due to the lower average prices prevailing in 1926 for silver, copper, lead and zinc.

With the exploitation of the established mines at Sudbury, Cobalt, Porcupine and Kirkland Lake, we note with satisfaction the development of new mining centres,—lead and zinc in the Sudbury basin, copper at Kamiskotia and copper-gold at Rouyn. Beyond all these are the regions in which the prospector, the pioneer of the industry, plays his part.

The opening of more direct rail communication between Rouyn and our principal industrial and trading centres will hasten the development of the promising deposits on the Quebec-Ontario Border.

During August and September Canada entertained the members of the Empire Mining and Metallurgical Congress, an organization of mining men from all parts of the Empire. Direct study of our mineral resources by such a body of distinguished men is bound to create a wider interest in mining in Canada. As mining developments have such an important bearing on almost every other industry in Canada, we should congratulate the various governments of the country on the success attained and encourage them to extend all reasonable aid to those engaged in the discovery, development and mining of the treasures hidden within the earth.

Rayon, the new name for artificial silk, is the first synthetic fibre. The possibility of imitating silk by human artifice was predicted as early as 1754, but the first synthetic fibre was not produced until 1884. In 1900 a few thousand pounds were produced in one factory; in 1925 172,000,000 pounds were produced in about 100 factories, and demand keeps ahead of supply.

Courtaulds, of England, were the first successful operators. Starting with a capital of a few million dollars, they now have capital and reserves of \$200,000,000, while the net profits of the parent company and its branches in different parts of the world, this past year exceed \$25,000,000.

What special interest has all this for Canada? It is my belief that Rayon will in time rank with newsprint in Canada's industrial life, not in tonnage or money value but in the matter of employment. The Dominion Government promised Courtaulds tariff protection of 15% once they opened a Canadian factory. This they did a couple of years ago at Cornwall and already the size of their factory is being doubled. A second plant producing Celanese, (twin sister to Rayon) has been established at Drummondville, Quebec. Synthetic silk made in Canada, of Canadian raw material, will keep millions of dollars in Canada which formerly went abroad and wood pulp and newsprint sell for a few cents per pound, while Rayon, made from the identical raw material, brings \$1.50 per pound. The Courtauld

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Canadian output in the past twelve months was 1,250,000 pounds; from now onward they expect to produce at the rate of 4,000,000 pounds per annum. I venture to predict that Canada will be an exporter of Rayon in volume in less than five years. The development of Hydro Electric Power on the lower Saguenay to supply power to the great new works of the Aluminum Company and to the new City which is springing up in a sparsely settled part, is an event of great industrial importance to Canada. The first unit of the plant already in operation, requires 100,000 horse-power while the whole plant as planned is expected to demand one million horse-power, an amount greater than has been utilized by any plant anywhere up to the present time. The capital requirements of this enterprise are \$70,000,000. Our exports of manufactures of aluminum during the past year amount to \$1,150,000 as against \$670,000 during the preceding year. Canada promises to have a future in aluminum, particularly if we can substantially increase the amount we export in an advanced state of manufacture.

This is the Diamond Jubilee of Confederation. The articles written by our journalists, covering the past sixty years are full of thrills and romance, but really our era of expansion commenced twelve years ago and it is difficult to find a Canadian who is not convinced that the happenings of the past twelve years will be dwarfed by the miracles the coming twelve years have in store.

I beg to move the adoption of the Report. (Applause.)

MR. F. A. ROLPH'S ADDRESS

In seconding the adoption of the Report I do so with some hesitancy as this should really be done by my Senior Director and very good friend, Colonel J. F. Michie, but at his request I have been called upon.

It affords me a great deal of pleasure, in this, Canada's Diamond Jubilee Year, to second the adoption of the Report which, after you have studied it, will, no doubt, give to the Shareholders, as it has to the Directors, a great sense of satisfaction, as it is, without doubt, the most satisfactory Statement which the Imperial Bank has ever issued and shows that the policy of the Bank has been sound and the Management is to be congratulated upon the result of their efforts in the interest of the Bank during the fiscal year which has just closed. The predictions made by the President, Vice-President and General Manager, at the Annual Meeting last year, regarding a better year which they saw in store for us, have been amply fulfilled and present indications justify us in looking for a continuance of good times for the year on which we have just entered.

The Chairman has given us some very interesting information and statistics regarding Canada's general growth in many directions. I would like to supplement his remarks by referring to some other developments which have taken place, which to me are very interesting. The development of the paper industry in Canada has been phenomenal. Paper now ranks second only to Wheat in the list of commodities exported by Canada and in the export of newsprint, Canada now leads the world. In the year 1900 the total value of newsprint exported by Canada only amounted to \$29,741.00. In 1910 it reached a value of \$2,612,243. In 1920 it amounted to \$53,203,792, and for the year ending March 31st, 1927, it reached the enormous total of \$116,452,158. Our wonderful natural resources in the shape of our forests and water-power, combined with the enterprise of Canadian, British and United States investors, are responsible for this great development.

The Chairman, in his address to-day, referred to the steady progress which has been made in Canada in connection with the development of her mineral resources and has referred to the recent gathering of the Empire Mining

and Metallurgical Congress. There was one tribute paid to Canada at the opening session of this Congress by Sir Robert Horne, the Honorary-President, as follows:—

“In no part of the world can there be found to-day regions of so vast extent, so full of promise of mineral wealth, as those belts of territory which are gradually being opened up in Ontario and Quebec. The steady growth in the rate of Canada's advancement in the mining industry is sufficient to create an overwhelming confidence in her future.”

These words from Sir Robert Horne should be very gratifying to us and it is satisfactory to us as a Bank to know that this great mining area in Northern Ontario and Quebec is being well served by the Imperial Bank of Canada where branches have been established in most of the principal mining centres.

Another industry which is frequently lost sight of by those of us living in the industrial province of Ontario is the value of the Canadian Fish and Fishery products which according to Government statistics, had a marketable value of over forty-seven million dollars (\$47,000,000) last year. It is to be hoped that this important industry will still further develop to the benefit especially of our Maritime Provinces who have suffered in the development of their other industries in the Canadian Field owing to their geographical position.

Another industry which has helped the export trade of Canada in a very marked degree is that of automobile manufacture. The great plants which have been established in Canada, some of which are Canadian, others are branch factories from the United States, have enabled us to export during the year 1927 over thirty-one million dollars (\$31,000,000) worth of automobiles. It is also interesting to note in a recent edition of an American magazine the statement that there are now 1400 branch factories in Canada whose Head Office plants are either in the United States or Great Britain, practically all of whom state that they have found it profitable to manufacture here. There are various reasons assigned for this movement, one of which is, of course, the tariff and the Preferential Tariff extended to Canada by other parts of the British Empire. In other cases, they take advantage of our natural resources

all of which goes to show that it is profitable to do business in Canada at the present time and that there is unlimited confidence in the future of Canada by our cousins to the South of us, and by the Motherland.

The question of Taxation is a matter of great concern. As we all know, the burden of taxation is borne principally by industrial Canada and especially by those living in the Provinces of Ontario and Quebec. The Government has afforded us some relief during the past year, but in view of the favourable financial showing which the Finance Minister has been able to make, relief to a very much larger extent should be possible and this should be given in order to put us on a better competitive basis with the United States. There has been a movement on foot for some years, for the removal of income taxes entirely. If this was done it would be the greatest advertisement Canada could have throughout the world and would undoubtedly cause a development in Canada such as we have never known. We realize, however, that there is still a great war debt to pay and money must be provided to meet the consequent inevitable charges. I do think, though, that a very considerable reduction in taxes could be made which would enable us to progress as no other single factor that I know of could do. It would undoubtedly increase immigration of the better class and would cause further development in the establishment of more factories throughout the country.

During the past few years Canada has benefited as never before by the tourist traffic. Last year it is estimated that over nine million tourists visited Canada from the United States by motor. It is difficult to estimate just how much money they spend during their stay on this side of the Border but it must run into quite large figures when you consider the number who spend days and in some cases weeks touring through our beautiful country which is opening up rapidly through the building of good roads by the various Provinces. It is interesting to note that all Provinces are developing their roads for the benefit, not only of Canadian motorists, but for the benefit of our friends from the United States who desire to see more of our interesting country. This tourist traffic is also one of the best advertising mediums for Canada and is of inestimable value. It is to be hoped that the Good Roads Movement will continue to progress as rapidly as possible and the different

Provinces of the Dominion are to be congratulated upon what they have accomplished and are doing in this connection.

Time is too short in which to enumerate many other encouraging factors and signs which have been taking place in the last few years. The frequent visits we have had from the World's Greatest Ambassador, H.R.H. the Prince of Wales, shows that great interest is now being taken in Canada by Great Britain. This was still further emphasized during the present year when Mr. Stanley Baldwin, the Prime Minister of England, together with Prince George, accompanied the Prince of Wales to take part in our Diamond Jubilee celebrations. This, I believe, is the first occasion upon which Canada has been visited by a Prime Minister of England while in office.

His Excellency, the Governor-General, last week at a private dinner stated that after one year's residence in Canada and after travelling from Coast to Coast, that what impressed him more than anything else in connection with Canada was the fact that throughout the enormous territory he had covered, how wonderful it was that so much had been accomplished by so few people. His Excellency is a man of broad vision and wide experience and he spoke most enthusiastically about the future of Canada. We can, therefore, in view of what we hear from those who visit us from the Motherland, as well as those who visit us from the United States, look forward with the utmost confidence to the future development of Canada. Immigration of the right class combined with our wonderful natural resources and the energy of our people will make Canada what we all desire her to be—the best country to live in in the world.

Canada is doing well, and your Bank, gentlemen, is doing its share in its development, especially in those sections of the country where our natural resources are being developed, such as Mining, Timber and Paper and also the great West. Throughout all of those sections the Bank is doing its utmost to provide facilities and help in the development of those great resources.

In closing my remarks I must express my sincere personal regret that our worthy President, Mr. Peleg Howland, is not with us to-day. As the Chairman has said, it is the first occasion since he became a Director of the Bank on

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which he has been absent from an Annual Meeting. No man has worked harder in the interests of the Bank than he has. The well-earned rest which he is now taking on the advice of his physician, will, no doubt, bring him back to us in due time fully restored to health.

I would also like to extend my personal congratulations to our General Manager, Mr. A. E. Phipps, on having recently been elected President of the Canadian Bankers' Association. No man is better fitted or more worthy of election to this responsible post.

I beg to second the adoption of the Report. (Applause.)

GENERAL MANAGER'S ADDRESS

Last year I ventured to make the statement that I could see no reason why the fiscal year 1927 should not prove to be as satisfactory to the Bank as 1926. The Balance Sheet and Profit and Loss Statement before you to-day show that my opinion was justified and I trust that they meet with your full approval. The Bank not only enjoyed a reasonable increase in its business but its earnings and growth have been greater than in any former year, certainly since I became General Manager.

The total assets of the Bank approximately \$139,000,000, compare with \$132,000,000 a year ago which at that time was the highest figure at which the assets had ever stood, the growth being some \$7,000,000 or at the rate of over \$500,000 a month. The profits which are shown at \$1,383,381.58 are also the highest that have ever been shown by the Bank in a single year and as usual have been computed after writing off anything of a bad or doubtful nature, and making full provision for all contingencies of every sort and kind. Out of the profits have been provided the usual dividends of 12 per cent. and a bonus at the rate of 1 per cent. absorbing altogether \$910,000; the usual contributions to Officers' Guarantee and Pension Funds, \$42,500, have been made, also provision for Dominion Government taxes (including a reserve for the current year's Income Tax) \$160,000, and \$250,000 has been written off Bank Premises account. After these deductions we are able to carry forward \$1,272,929.81, a sum slightly in excess of the balance brought forward from the 1926 account. This is a very substantial sum indeed and one which seems to be not always taken into account by investors and others when estimating the value of a Bank stock or estimating its position.

The Balance Sheet this year needs very little explanation reflecting merely the growth to which I have alluded. The Circulation is unchanged or perhaps a little lower but quite in keeping with the trend of the times. The circulation of all the Banks for September, 1927, stood 4.04 per cent. less than in September, 1926. This falling off I attribute to the later marketing of crops in the Northwest and to the fact that the farmer under the Pool agreement receives only

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partial payment for his grain, thus curtailing the annual expansion of the amount of cash in circulation.

Last year we reported our deposits in excess of \$100,000,000 for the first time. This year they are \$109,014,919, an increase of roughly \$8,500,000 for the year. Most of the increase has taken place in the deposits not bearing interest, reflecting increased activity in the current or business accounts, but there has been a very substantial increase of over \$3,000,000 in the deposits bearing interest which broadly speaking means the Savings Department of the Bank. It may not be out of place to say here that last year there was included in the Interest Bearing deposits a special amount (in the neighbourhood of \$4,000,000) which has since been disbursed so that the increase in this branch of our business has really been greater than the statement indicates. The other liabilities to the public consist merely of balances due to other Banks and correspondents in Canada and elsewhere and are not subject to much fluctuation.

Turning to the Assets side of the statement, during the year a system was put into effect whereby the settlements for all Clearing Houses are made daily in one amount in Montreal. This will probably enable the Banks as a whole to carry less of their reserves in actual cash in the future, but up to the present we have made little change in our policy and the specie, Dominion notes and foreign currencies on hand amount to \$11,575,531, which is practically the same amount as last year. When we add to this the deposit in the Gold Central Reserves, Cheques on other Banks, Balances due by other Banks in Canada, the total cash amounts to upwards of \$28,000,000 or \$1,000,000 more than a year ago and equals 22.92 per cent. of the Bank's liabilities to the public. Our second line of Reserves, Dominion and Provincial Government securities and Other readily realizable assets, such as Call Loans in Canada and New York, Loans to Provincial Governments and the Municipalities and so on, all of which can be really classed as immediately liquid investments amount to \$48,000,000, an increase of \$6,000,000 for the year and when added to the cash on hand bring out a total of liquids of \$76,487,604, more than \$7,000,000 in excess of a year ago and equal to 62.18 per cent. of liabilities to the public. The Current Loans at slightly over \$55,000,000 are practically unchanged from last year. We would like to see this Department of our business a

little larger but satisfactory additions to the Current Loans are hard to obtain, the growth over the whole of Canada for the year ended September being only 8%. Like the Circulation, the Current Loans in the Fall months are being affected by the operations of the Western Wheat Pool which borrows against the grain it buys from the farmer only enough to pay him a portion of its cost and by its regular methods of marketing is able to move the crop with minimum borrowings from the banks, also as time goes on more liquid capital is being introduced into business through public borrowings, particularly into large concerns, with the result that banking accommodation is not required to the same extent as formerly. Consequently banks have to look more and more to the investment field and to Call and Short Loans to provide employment for their funds. Our own Call Loans in Canada showed an expansion of \$4,500,000 during the year, which is about in keeping with the expansions shown by other Banks according to the Government Return. These loans are well selected and passed upon by the Board of Directors as well as by the management and up to the present time have not occasioned the Bank the loss of a single Dollar but naturally they are not as remunerative as commercial loans.

The only other important account is the Bank Premises account which stands just below \$5,000,000 as it did a year ago. This year \$250,000 has been written off, which amount practically offsets our expenditures on premises during the year. New buildings were acquired or erected at Walkerville, Ont., Sioux Lookout, Ont., Niagara Falls South, Ont., Rogers Rd. and Oakwood Ave., and Rogers Rd. and Silverthorne Ave., in Toronto, and smaller premises were acquired at Goldpines in the Red Lake Mining district and at Elk Lake in Northern Ontario. Another interesting feature in connection with the Bank Premises account is that we recently agreed on the amount to be paid the Bank by the City of Toronto for the lease-hold property we are being dispossessed of at the Corner of Yonge and Bloor Streets at a figure which we consider fairly satisfactory. A suitable lot has been purchased on the west side of Yonge Street just north of Bloor and an attractive office will be built during the Winter months. Extensive alterations and additions were or are being made to the Bank's Offices at Adelaide and Victoria Streets, Kingston Rd. and Balsam Ave., in Toronto,

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and at Banff and Edmonton Branches in the Province of Alberta.

NEW BRANCHES

The increasing prosperity of the country led to an increasing interest on the part of the Banks in new territory and the opening of new Branches. We found it advisable to take a moderate part in this movement and Branches of the Bank have been opened or arranged at Oakwood Ave. and Rogers Rd., Silverthorn Ave. and Rogers Rd., Bloor and Durie Streets, all in the City of Toronto. At Noranda and Dolbeau in the Province of Quebec, at Goldpines in Ontario, and at Mayerthorpe and Eckville in the Province of Alberta. One branch at Sparta, Ont., has been closed. We now have 187 branches.

THE STAFF

The staff consists of 1304 officers. The growth of the bank necessitates a constantly growing number of employees. The staff during the year have if anything been more efficient than ever and I have much pleasure in again testifying to their loyalty. As a small measure of our appreciation the Board have inaugurated a system of group life insurance which we expect will prove of great benefit, particularly to the young married men on moderate salaries, and we trust we will have your approval of this innovation.

SHAREHOLDERS

The shareholders of the Bank now number 2605 compared with 2587 a year ago, an increase of 18. In common with other banks our shares have been more or less extensively bought recently by citizens of the United States who are evidently alive to the attractiveness of investments in Canadian Bank stocks. Although the number of American investors is considerable, the actual number of shares involved so far is not of any great consequence. It would appear, however, that if the Canadian Banks continue to prosper there will be more and more enquiries for their shares from the other side of the line and Canadian shareholders need not be in a hurry to dispose of their holdings.

I will not detain you with remarks on general conditions of business in Canada or in the rest of the world, the custom being for the President to act as the Bank's mouth-piece on

such subjects. Even if I attempted to do so the very able addresses you have just listened to by Sir Jas. Woods and Mr. Rolph would leave me little or nothing to say. The General Manager may, however, quite properly give his opinion on the condition and prospects of the banking situation and his Bank's business in particular. I am satisfied that the statements appearing from time to time will show that Canadian Banks as a whole have had a very satisfactory year, earnings being well up to the average with losses lighter than for a number of years past. Viewing general conditions as affecting the Bank's business, I see nothing to suggest that the present favourable state of affairs will not continue for another year and perhaps for several years to come. There is one element, however, in the situation which might easily become dangerous. I refer to the unlimited amount of speculation that is going on in stocks and shares of every description. To my mind it is a boom that is taking place and just like other booms those who are engaged in buying those kind of securities are buying them not because they want them or because they think they are worth what they are paying for them but because they think somebody else will pay them more for the same securities to-morrow or next week. This will only go on so far and when the apex has been reached if the situation follows the course of other booms everybody will want to sell at once and there is where the trouble will develop for the banks as well as the public. For our part although we are quite willing to assist legitimate investment and even in worthy cases moderate speculation we are doing everything we can to restrain and control the situation and I believe that my colleagues in the other banks are following a similar course.

One word more—last year in closing my remarks I expressed the hope that when the budget was announced that some consideration would be given capital and some relief to business in the way of reduction of taxes. I am happy to be able to record that during the year there was a slight reduction in the Income Tax and that what were deemed nuisance taxes particularly the Stamp Tax were either abolished or very considerably ameliorated and I am glad to make my acknowledgment to the Finance Minister for this. The repayment this year of \$110,000,000 of the public debt without any refunding operations other than

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some short term assistance afforded by the Banks is an operation of which the Hon. Mr. Robb and his colleagues at Ottawa may well be proud and perhaps gives us cause to hope for some further reduction in the Tax on business when Parliament meets again next Spring. (Applause.)

THE CHAIRMAN: Gentlemen, it has been moved by myself, and seconded by Mr. F. A. Rolph, that the Report which has been read be adopted, printed and circulated among the Shareholders. Are you in favour? (Carried.)

MAJOR G. H. AIKINS (Winnipeg): I have much pleasure in moving that Mr. A. B. Shepherd, C.A., of Peat, Marwick, Mitchell & Company, and Mr. A. W. Cole, C.A., of Macintosh, Cole & Robertson, be appointed Auditors of the Bank for the ensuing year at a remuneration not to exceed \$10,000.

MR. C. A. CASE (St. Catharines): I second the motion.

The Chairman put the motion, which was declared carried.

THE CHAIRMAN: I believe Professor McLennan has a motion to make.

PROFESSOR J. C. MCLENNAN: It gives me great pleasure on behalf of the Shareholders present to express to the President, Directors and Officials our deep appreciation and thanks for the manner in which they have conducted the affairs of the Imperial Bank for the past year. Judging from the address of the Chairman, Canada has had an exceedingly prosperous year. It gives us great pleasure and it is a source of gratification to learn that the Bank has shared in the prosperity of the country.

The financial statement given by the General Manager appears to be the best that the Bank has ever presented. This fine showing is due to the sound policy the Board has adopted in its management.

I note from the Chairman's address that while our manufacturing industries have shown enormous developments, particularly those connected with pulp and paper, artificial silk and other wood products, and while we have had throughout Canada one of our best harvests, there still appears room for improvement in the average yield of

wheat and other grains per acre. It would seem to be desirable to adopt the policy followed in European countries, and to utilise more and more, particularly in our older Provinces the artificial fertilizers now available for increasing, the fertility and productivity of our soils.

In your behalf, I move that the thanks of the Shareholders are due and are hereby tendered to the President, Directors and Officials of the Bank for their services during the past year. (Applause.)

MR. J. C. BLACK: I have very much pleasure in seconding that motion.

The Chairman put the motion, which was declared carried.

THE CHAIRMAN: It has been our custom to have our Junior Director reply for the Board, and I am going to ask Mr. John A. Northway to do that for us.

MR. JOHN A. NORTHWAY: Sir James, Professor McLennan and Gentlemen,—It is the penalty of being the Junior Director to make this reply.

On behalf of the President, the Vice-President and the Board I wish to express our appreciation of the confidence you have shown in us by your vote of thanks and by the many kind words spoken.

We appreciate the honour of being on the Imperial Board and take pride and pleasure in giving the best we have to its interests. However, we feel that the credit for the splendid statement submitted to-day is due to the untiring efforts of our President, Vice-President, General Manager and our loyal and efficient Staff. The foresight, the initiative and the required executive ability are theirs.

We regret that Mr. Howland is not present to-day, but know at heart he is with us. His greatest interest is the welfare of the Bank and we hope that after a well deserved rest, he will soon again take up the work he so honours and loves.

In the meantime our Vice-President, Sir James Woods, is filling the position and the Bank is very fortunate to have one of his tireless energy and world-wide experience to carry on.

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Personally it has been my privilege to visit a number of the branches during the past year and have been greatly impressed by the Staffs' expression of loyal admiration and respect for our General Manager, Mr. Phipps, with whom it is such a pleasure and education for the Board to work.

We believe the policy of our Bank to be the soundest and in the best interests of our customers and shareholders, and we enter the new year with confidence and optimism prepared to do an increasing part in the financing of the great development of this country. (Applause.)

THE CHAIRMAN: Pursuant to custom we always have the motion just made, and a vote of thanks to the Staff. I am going to ask Mr. D. H. McDonald to move, and Mr. W. H. Lamont to second, a motion conveying our vote of thanks to the Staff.

MR. D. H. McDONALD: It is a pleasure and privilege to move the vote of thanks at the Annual Meeting to the General Manager, Assistant General Managers, Managers and Staff of the Imperial Bank of Canada. It is not a perfunctory resolution on the part of the Shareholders of the Imperial Bank. I should like to say that the Imperial Bank has had a wonderful record, and while other banks have also had good records I think we are all proud of the record made by the Imperial Bank. We owe it to the Directors, perhaps I might say in the first place, but we also owe it to the high class staff of the Imperial Bank of Canada from Toronto to Victoria, and intervening points. If it were not for that staff we could not have heard the pleasant words that have been spoken to-day. It must be a matter of congratulation to the staff to know that they are appreciated and that the Bank is showing its appreciation of its staff by making annual appropriations so that the members of the staff will be provided for. (Applause.)

MR. W. H. LAMONT: I am sure it is a pleasure for anyone to rise to second the vote of thanks to the conscientious staff of the Imperial Bank so ably proposed by Mr. McDonald.

The splendid financial statement given us to-day by our Vice-President is the result of tireless energy and devotion by the General Manager and the Assistant General Managers and the Staff right down to the youngest junior. I am sure

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every employee, if they feel like myself, is encouraged by words of praise so graciously expressed by the mover.

Some years ago it was my good fortune to be connected with a firm who kept their account with the Imperial Bank of Canada, and being borrowers came under the watchful eye of the late Mr. Moffat, who was then looking after the Toronto Branch. The help that he extended and the interest he took in me I have appreciated all my life. I also well remember the kindly consideration received from Mr. Boulton, who at that time was occupying one of the Tellers' positions.

The position of the General Manager and the Assistant General Manager, now being occupied by Mr. Phipps and Mr. Boulton, who have risen from the ranks, is an encouragement to all other employees, showing the opportunities everyone has in this Bank for advancement.

Personally, and on behalf of the shareholders, I heartily endorse the expressions given by Mr. McDonald, and feel it is an honour in being asked to second this motion.

I would also like to take this opportunity of congratulating our General Manager, Mr. Phipps, on being elevated to the Presidency of the Bankers' Association. (Applause.)

THE CHAIRMAN: I am sure, Gentlemen, the resolution of appreciation of our most excellent staff meets with your whole approval. (Applause.)

MR. G. D. BOULTON: Mr. Chairman and Gentlemen, I have the greatest possible pleasure in returning thanks for the hearty vote of appreciation which has been passed. In the long history of the Bank the relations that have existed were never more pleasant than to-day between the Staff and the Institution.

MR. W. L. GILLILAND: Mr. Vice-President and Gentlemen,—“Open confession is good for the soul,” and I admit that in cold type, as printed in the Annual Report, such a resolution often appears to the Staff to be more or less a formality. I admit this, however, only to now emphasize after hearing the spoken word our firm conviction that it is not a mere formality, but a real heartfelt vote of appreciation. On behalf of the Staff I wish to thank the mover and seconder of this resolution.

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THE CHAIRMAN: We have now come to the last business on the Agenda, which is the election of the Directors.

MR. H. A. JONES: Mr. Chairman, I move that the ballot box be now opened and remain open until two o'clock this day for the receipt of ballot papers for the election of ten Directors, the poll to be closed as soon as five minutes shall have elapsed without a vote being tendered.

MR. ROBERT ROSS: I have pleasure in seconding that motion.

The Chairman put the motion, which was declared carried.

The Scrutineers appointed at the Meeting reported the following Shareholders duly elected as Directors:—Peleg Howland, Sir James Woods, Sir James Aikins, K.C., J. F. Michie, Frank A. Rolph, R. S. Waldie, George C. Heintzman, J. W. Hobbs, Walter C. Laidlaw, John A. Northway.

The meeting then adjourned.

COMPARATIVE STATEMENT

SHOWING THE PROGRESS OF THE BANK

	Capital Paid Up	Reserve Fund	Deposits	Total Loans	Total Assets	Divi- dends
1876	\$ 804,883.	\$ 25,000.	\$ 1,576,713.	\$ 2,338,582.	\$ 3,129,735.	6%
1886	1,500,000.	500,000.	4,427,980.	5,657,806.	7,650,394.	8%
1896	1,963,600.	1,156,800.	9,203,409.	7,648,553.	13,736,134.	9%
1906	3,927,741.	3,927,741.	28,499,302.	26,348,132.	39,779,812.	10%
1916	7,000,000.	7,000,000.	60,218,627.	46,409,027.	81,911,757.	12%
1926	7,000,000.	7,500,000.	100,787,014.	99,130,948.	131,832,309.	12% plus Bonus 1%
1927	7,000,000.	7,500,000.	109,014,919.	104,866,955.	138,899,197.	12% plus Bonus 1%

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